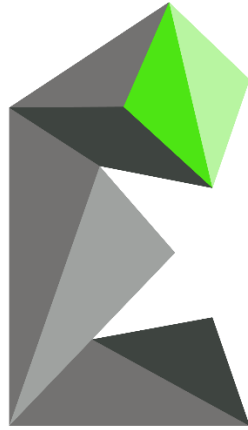


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KINGSLAND

MINERALS

KINGSLAND MINERALS LTD

ABN 53 647 904 014

Half-Year Financial Report

31 December 2023

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General information

The financial statements cover Kingsland Minerals Ltd and its controlled entities for the half year ended 31 December 2023. The financial statements are presented in Australian dollars, which is Kingsland Minerals Ltd's functional and presentation currency.

Kingsland Minerals Ltd is limited by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 1, 43 Ventnor Avenue
West Perth WA 6005

Principal place of business

Level 1, 43 Ventnor Avenue
West Perth WA 6005

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 March 2024.

The Directors have the power to amend and reissue the financial statements.

The Directors present their report, together with the financial statements, on Kingsland Minerals Ltd (“the Company”) and its controlled entities (“the Group”) for the half year ended 31 December 2023.

Directors

The following persons were directors of the Group during the whole of the financial period and up to the date of this report, unless otherwise stated:

Richard Maddocks

Bruno Seneque

Nicholas Revell

Principal activities

During the financial period the principal continuing activities of the Group was mineral exploration. There have been no significant changes in the nature of those principal activities during the financial period.

Dividends

There were no dividends paid, recommended, or declared during the current financial period.

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Review of operations

Northern Territory

Leliyn Graphite Prospect

Drilling progressed at Leliyn during the half year. Drilling was completed ahead of the wet season in late November 2023. A total of 51 RC holes (5,384m) and 11 diamond core holes (2,369m) were drilled. Highlights of the drilling are contained in the tables below:

Table 1: Diamond drillholes Significant Graphite Results

Hole	From (m)	To (m)	Intercept (m)	TGC (%)
LEDD_01	0	132	132	8.73
Inc.	31	54	23	11.69
Inc.	84	125	41	12.31
LEDD_02	52	178	126	7.44
Inc.	117	170	53	11.09
LEDD_03	11	75	64	8.72
Inc.	42	74	32	10.87
Inc.	94	124	30	8.36
LEDD_04	154	363	209	7.39
Inc.	237	268	31	10.90
	314	352	38	11.19
LEDD_05	0	206	206	10.02
Inc.	3	49	46	12.17
	67	140	73	11.18
	161	180	19	11.45
And	219	250	31	4.39
LEDD_06	11	112	101	6.39
LEDD_07	0	18	18	6.08
LEDD_08	0	285	285	6.05
Inc.	206	285	79	10.48
LEDD_09	172	192	20	6.30
	208	242	34	7.00
LEDD_10	0	20	20	6.30
	30	124	94	7.35
Inc.	32	46	14	11.53
	140	169	29	4.74
LEDD_11	57	91	34	6.47
	128	169	41	6.53
	202	230	28	9.36
TALD001	5	10	5	5.19
	36	196	160	5.57
	206	249	43	9.91

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Review of operations (continued)

Table 2: RC drillholes Significant Graphite Results

Hole	From (m)	To (m)	Intercept (m)	TGC (%)
LEDDRC_01	25	54	29	9.30
Inc.	40	54	14	12.99
LERC_02	41	60	19	8.15
Inc.	42	52	10	11.69
LERC_03	Not sampled			
LERC_04	Not sampled			
LERC_06	0	25	25	10.10
Inc.	11	23	12	11.48
LERC_07	Not sampled			
LERC_08	0	46	46	8.33
Inc.	0	18	18	11.79
	55	84	29	10.83
LERC_09	67	84	17	2.44
	101	113	12	2.33
LERC_10	0	124	124	4.32
Inc.	5	37	32	7.40
and	59	124	65	3.15
LERC_11	0	130	130	6.28
Inc.	1	30	29	8.92
and	93	114	21	11.27
LERC_12	NSI			
LERC_13	13	150	137	7.29
Inc.	69	116	47	10.85
And	138	150	12	11.23
LERC_14	48	187	139	6.97
Inc.	107	170	63	10.04
	200	204	4	8.93
LERC_15	9	78	69	7.97
LERC_16	2	5	3	2.71
LERC_17	16	174	158	10.13
LERC_18	45	173	128	8.58
Inc.	87	173	86	10.90
LERC_19	8	91	83	5.92
LERC_20	11	22	11	5.27
LERC_21	0	78	78	5.19
Inc.	57	71	14	8.71
LERC_22	42	114	72	4.71
LERC_23	Pre-collar for LEDD_07			
LERC_24	NSI			
LERC_25	4	21	17	3.79
LERC_26	2	7	5	4.14
	33	34	1	2.18

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Review of operations (continued)

Hole	From (m)	To (m)	Intercept (m)	TGC (%)
LERC_27			Not sampled	
LERC_28	0	41	41	10.50
	52	66	14	10.81
	79	87	8	7.26
	99	109	10	3.46
LERC_29	153	174	21	4.90
LERC_30	0	19	19	9.02
	35	118	83	5.02
LERC_31	1	115	114	8.03
Inc.	42	53	11	10.64
LERC_32			Not sampled	
LERC_33			NSI	
LERC_34	14	24	10	7.52
	39	46	7	10.76
	76	84	8	3.27
LERC_35			NSI	
LERC_36			NSI	
LERC_37			NSI	
LERC_38	5	41	36	9.67
	62	90	28	5.96
LERC_39	0	153	153	6.79
Inc.	9	18	9	10.50
Inc.	50	60	10	10.80
Inc.	68	82	14	10.47
LERC_40			Not sampled	
LERC_41	5	39	34	7.47
LERC_42	4	141	137	6.85
	48	85	37	9.34
LERC_43	124	174	50	4.96
LERC_44			NSI	
LERC_45	42	105	63	7.60
LERC_46	96	123	27	4.83
LERC_47	0	27	27	4.60
	55	120	65	7.03
LERC_48	4	66	62	5.13
LERC_49	28	60	32	5.49
LERC_50	2	13	11	3.15
LERC_51			NSI	

Drilling data was provided to Auralia Mining Consulting, an independent consultancy with geologists with graphite resource experience. Mineral Resource estimation commenced during the quarter and was completed in the March 2024 quarter. Five 20kg samples, representative of the 5 km strike drilled, were submitted to IMO (Independent Metallurgical Operation) of Perth for metallurgical testwork. IMO have significant experience in metallurgical applications to graphite flotation and extraction.

Review of operations (continued)

Other Projects

Due to the focus on exploration drilling at Leliyn, limited exploration was conducted on Kingsland's other Northern Territory projects during the December quarter.

Exploration at Lake Johnston in WA focused on lithium exploration. Historic drilling on E63/2068, conducted in 2004 by Western Areas was targeting nickel mineralisation. Several of these holes intersected pegmatitic textures. Assaying was focussed on nickel so no lithium or associated elements were assayed. Kingsland has managed to recover some of the drill spoils from these holes and then selected pegmatitic intervals for re-assay. Highlights from this re-assaying program included a 5m composite samples in hole LPRC 007 averaging 75 ppm Li₂O from 93 to 98m and 278 ppm Li₂O from 98 to 103m. LPRC008 was sampled from 44m to 48m and returned 136 ppm Li₂O. This interval was not logged as pegmatitic in the historic data but field observation by Kingsland geologists did indicate a coarse texture. This sampling and re-assaying program was not comprehensive and is only being used to indicate the presence of anomalous lithium. On the basis of these results additional exploration is now warranted. The original 1m samples are still relatively intact and individual one meter samples can be adequately delineated, however there has been deterioration of the plastic sample bags and it is possible that some cross contamination has occurred between samples. For this reason, 5 meter composite samples were taken rather than one meter samples. Pegmatite units from 93m to 103m in this hole were sampled as two 5m composite samples. A soil sampling program was completed for lithium mineralisation at the Lake Johnston project with positive results announced during January and February 2024. Additional work is planned.

Corporate

The loss for the Group after providing for income tax amounted to \$2,063,193 (31 Dec 2022: \$765,846).

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the six months ended 31 December 2023 that are not disclosed elsewhere in this report, the financial statements or the attached notes.

Matters subsequent to the end of the financial period

The Company issued an ASX announcement on 13 March 2024 which detailed a JORC compliant Inferred Mineral Resource (MRE) of 194.6 million tonnes at a grade of 7.3% total graphitic carbon at the Leliyn Graphite Deposit. This MRE is a milestone which rendered the Directors performance rights, as approved at the 2023 Annual General Meeting, to vest 100%.

There are no other matters or circumstances have arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

Likely developments and expected results of operations

The Group will continue its mineral exploration activity at and around its exploration projects with the object of identifying commercial resources.

Environmental regulation

The Group holds participating interests in a number of exploration licences. The various authorities granting such licences require the holder to comply with directions given to it under the terms of the grant of the licence.

The Board is not aware of any breaches of the Group's licence conditions.

Competent person statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Richard Maddocks, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Maddocks is an employee of Kingsland Minerals and holds securities in the company. Mr Maddocks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Maddocks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Richard Maddocks
Managing Director

15 March 2024

Perth

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To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of Kingsland Minerals Limited for the half year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated 15th day of March 2024
Perth, Western Australia

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Kingsland Minerals Ltd
Condensed consolidated statement of profit or loss and other comprehensive income
For the half year ended 31 December 2023



	Note	31 December 2023 \$	31 December 2022 \$
Revenue			
Interest Income		31,463	-
Other Income		71,179	-
Expenses			
Compliance and regulatory expenses		(57,502)	(64,802)
Directors' remuneration		(300,669)	(284,248)
Share based payments		(1,433,927)	(177,265)
Depreciation		(26,078)	(17,771)
Occupancy expenses		(10,905)	(18,788)
Finance costs		(3,618)	(2,897)
Administration expenses		(333,136)	(200,075)
Profit/(loss) before income tax (expense)/benefit		(2,063,193)	(765,846)
Income tax (expense)/benefit		-	-
Profit/(loss) after income tax (expense)/benefit for the period attributable to the owners of Kingsland Minerals Ltd		(2,063,193)	(765,846)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period attributable to the owners of Kingsland Minerals Ltd		(2,063,193)	(765,846)
Loss per share for the period attributable to owners of Kingsland Minerals Ltd			
Basic loss per share (cents per share)	12	(3.60)	(2.05)
Diluted loss per share (cents per share)	12	(3.60)	(2.05)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Kingsland Minerals Ltd
Condensed consolidated statement of financial position
As at 31 December 2023



	Note	31 December 2023 \$	30 June 2023 \$
Assets			
Current assets			
Cash and cash equivalents	3	2,437,885	5,187,387
Trade and other receivables	4	241,038	261,975
Total current assets		<u>2,678,923</u>	<u>5,449,362</u>
Non-current assets			
Plant and equipment	5	50,736	45,441
Rights of Use Asset		106,492	126,459
Exploration and evaluation expenditure	6	6,382,664	4,634,385
Total non-current assets		<u>6,539,892</u>	<u>4,806,285</u>
Total assets		<u>9,218,815</u>	<u>10,255,647</u>
Liabilities			
Current liabilities			
Trade and other payables	7	289,202	985,035
Lease liability		37,815	33,852
Provisions	8	49,679	18,910
Total current liabilities		<u>376,696</u>	<u>1,037,797</u>
Non-current liabilities			
Lease liability		82,525	102,724
Total non-current liabilities		<u>82,525</u>	<u>102,724</u>
Total liabilities		<u>459,221</u>	<u>1,140,521</u>
Net assets		<u>8,759,594</u>	<u>9,115,126</u>
Equity			
Issued capital	9	10,658,813	10,615,063
Reserves	10	2,916,162	1,252,251
Accumulated losses		(4,815,381)	(2,752,188)
Total equity		<u>8,759,594</u>	<u>9,115,126</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

Kingsland Minerals Ltd
Condensed consolidated statement of changes in equity
For the half year ended 31 December 2023



	Note	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 01 July 2023	9	10,615,063	1,252,251	(2,752,188)	9,115,126
Loss after income tax benefit for the year		-	-	(2,063,193)	(2,063,193)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive loss for the year		-	-	(2,063,193)	(2,063,193)
Transactions with owners in their capacity as owners:					
Options issued	10	6,250	-	-	6,250
Capital raising costs	9	-	-	-	-
Share based payments	11	37,500	1,663,911	-	1,701,411
Balance at 31 December 2023		10,658,813	2,916,162	(4,815,381)	8,759,594

	Note	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 01 July 2022	9	5,722,373	1,283,102	(633,655)	6,371,820
Loss after income tax benefit for the year		-	-	(765,846)	(765,846)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive loss for the year		-	-	(765,846)	(765,846)
Transactions with owners in their capacity as owners:					
Options issued	10	-	186,949	-	186,949
Capital raising costs	9	(11,217)	-	-	(11,217)
Share based payments	11	-	685,465	-	685,465
Balance at 31 December 2022		5,711,156	2,155,516	(1,399,501)	6,467,171

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Kingsland Minerals Ltd
Condensed consolidated statement of cash flows
For the half year ended 31 December 2023



	Note	31 December 2023 \$	31 December 2022 \$
Cash flows from operating activities			
Interest received		31,463	-
Other income		33,895	-
Cash paid to suppliers		<u>(666,329)</u>	<u>(579,487)</u>
Net cash used in operating activities		<u>(600,971)</u>	<u>(579,487)</u>
Cash flows from investing activities			
Exploration and evaluation		(2,143,376)	(977,342)
Property, plant and equipment		<u>(11,405)</u>	<u>(35,058)</u>
Net cash used in investing activities		<u>(2,154,781)</u>	<u>(1,012,400)</u>
Cash flows from financing activities			
Proceeds from share issues		6,250	-
Proceeds from option issues		-	183,975
Share issue costs		<u>-</u>	<u>-</u>
Net cash from financing activities		<u>6,250</u>	<u>183,975</u>
Net increase in cash and cash equivalents		(2,749,502)	(1,407,912)
Cash and cash equivalents at the beginning of the financial period		<u>5,187,387</u>	<u>4,243,345</u>
Cash and cash equivalents at the end of the financial period	3	<u><u>2,437,885</u></u>	<u><u>2,835,433</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

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Note 1. Summary of Significant Accounting Policies

The interim consolidated financial statements of Kingsland Minerals Ltd (“the Company”) for the six months ended 31 December 2023 comprises the Company and its controlled entities (“the Group”).

Kingsland Minerals Ltd is a for-profit company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 15 March 2024 by the Directors of the Company.

Basis of preparation

These financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard 134 ‘Interim Financial Reporting’ and the Corporations Act 2001, as appropriate for for-profit oriented entities.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2023.

Accounting Policies

The same accounting policies and methods of computation have been followed in these half-year financial statements as were applied in the most recent annual financial statements.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

For the period ended 31 December 2023, the Group recorded a loss of \$2,063,193 (31 Dec 2022: \$765,846) and had net cash outflows from operating of \$600,971 (31 Dec 2022: \$579,487). At 31 December 2023, the Group had net assets of \$8,759,594 (30 June 2023: \$9,115,126).

Note 2. Segment information

The Directors determined that the Group has one reportable segment, being mineral exploration activities in Australia, consequently the Group does not report segmented operations.

Note 3. Cash and cash equivalents

	31 December 2023	30 June 2023
	\$	\$
Current assets		
Cash at bank	1,419,721	4,187,387
Term deposit	1,018,164	1,000,000
	<hr/>	<hr/>
Total cash and cash equivalents	2,437,885	5,187,387

Note 4. Trade and other receivables

Current assets		
GST	94,840	128,748
Prepayments	20,365	44,678
Other receivables	125,833	88,549
	<hr/>	<hr/>
Total trade and other receivables	241,038	261,975

Note 5. Plant and equipment

Plant and equipment at cost	49,549	38,144
Less: accumulated depreciation	(12,937)	(7,893)
	<hr/>	<hr/>
Total plant and equipment	36,612	30,251
	<hr/>	<hr/>
Motor vehicles at cost	16,910	16,910
Less: accumulated depreciation	(2,786)	(1,720)
	<hr/>	<hr/>
Total motor vehicles	14,124	15,190
	<hr/>	<hr/>
Total plant and equipment	50,736	45,441

Reconciliation:

Opening balance	55,054	27,290
Additions	11,405	27,764
Less: accumulated depreciation	(15,723)	(9,613)
	<hr/>	<hr/>
Closing balance	50,736	45,441

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Note 6. Exploration and evaluation expenditure

	31 December 2023	30 June 2023
	\$	\$
Opening balance	4,634,385	2,072,565
Acquisition costs	-	508,200
Capitalised exploration expenditure	1,748,279	2,053,620
	<u>1,748,279</u>	<u>2,053,620</u>
Closing balance	<u>6,382,664</u>	<u>4,634,385</u>

Note 7. Trade and other payables

<i>Current liabilities</i>		
Trade creditors	68,962	666,061
Accruals	123,815	278,998
Other payables	96,425	39,976
	<u>96,425</u>	<u>39,976</u>
Total trade and other payables	<u>289,202</u>	<u>985,035</u>

Note 8. Provisions

<i>Current liabilities</i>		
Provision for annual leave	49,679	18,910
	<u>49,679</u>	<u>18,910</u>
Total provisions	<u>49,679</u>	<u>18,910</u>

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Note 9. Issued capital

(a) Shares

	31 December 2023 (Number)	31 December 2023 (\$)	30 June 2023 (Number)	30 June 2023 (\$)
Ordinary shares - fully paid	58,449,800	10,658,813	56,274,802	10,615,063

	Issue price	Fully paid ordinary shares	\$
Balance at 1 July 2022		37,389,840	5,722,373
Issue of shares – director performance shares	\$0.17	4,000,002	680,000
Issue of shares – Trafalgar performance shares	\$0.20	2,051,676	410,335
Issue of shares – Bacchus performance shares	\$0.20	1,578,324	315,665
Issue of shares – placement	\$0.32	11,254,960	3,601,587
Capital raising costs		-	(457,297)
		56,274,802	10,272,663
<i>Unissued capital</i>			
Issue of shares – director performance shares	\$0.1712	1,999,998	342,400
Balance at 30 June 2023		58,274,800	10,615,063
Balance at 1 July 2023		58,274,800	10,615,063
Issue of shares on conversion of options	\$0.25	25,000	6,250
Issue of shares for consultancy services	\$0.25	150,000	37,500
Balance at 31 December 2023		58,449,800	10,658,813

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 9. Issued capital (continued)

(b) Unlisted Options

The following unlisted options were on issue during the half year ended 31 December 2023:

Exercise price	30c	25c	25c	25c
Expiry date	31 May 2025	17 June 2026	8 July 2026	31 May 2027
Opening balance	1,800,000	4,500,000 ¹	5,136,486	1,000,000
Issued during the half year	-	-	-	-
Expired during the half year	-	-	-	-
Exercised during the half year	-	-	-	-
Closing balance	1,800,000	4,500,000	5,136,486	1,000,000

Exercise price	40c	90c	\$1.20
Expiry date	23 June 2026	6 December 2026	6 December 2026
Opening balance	-	-	-
Issued during the half year	1,000,000	3,500,000	3,500,000
Expired during the half year	-	-	-
Exercised during the half year	-	-	-
Closing balance	1,000,000	3,500,000	3,500,000

(c) Listed Options

The following listed options were on issue during the half year ended 31 December 2023:

Exercise price	25c
Expiry date	31 October 2026
Opening balance	18,694,920
Issued during the half year	-
Expired during the half year	-
Exercised during the half year	(25,000)
Closing balance	18,669,920

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Note 10. Reserves

	31 December 2023 (\$)	30 June 2023 (\$)
Share based payments reserve	<u>2,916,162</u>	<u>1,252,251</u>

	Options \$	Performance Shares \$	Total \$
Balance at 01 July 2023	1,252,251	-	1,252,251
Issue of options	883,911	-	883,911
Issue of performance shares	-	780,000	780,000
Balance at 31 December 2023	<u>2,136,162</u>	<u>780,000</u>	<u>2,916,162</u>

Share based payments reserve

The share based payments reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration and other parties as part of their compensation for services.

Note 11. Share based payments

During the half year ended 31 December 2023, the following transactions were recognised as share based payments by the Company:

	Value \$
Issue of shares for consulting services	37,500
Director performance rights expensed to profit or loss (Note 11(a))	780,000
Director incentive options expensed to profit or loss (Note 11(b))	653,926
Options issued to Lead Manager – Discovery Capital Partners (Note 11(c))	229,985
Total share based payments	<u>1,701,411</u>

(a) Performance rights

The performance rights were issued on 6 December 2023 following shareholder approval at the 2023 Annual General Meeting and will convert into fully paid ordinary shares upon announcement by the Company of a 2012 JORC compliant minerals resource of at least 8.5 million tonnes of contained graphite.

AASB 2 prescribes that performance-based vesting conditions are either market conditions or non-market conditions. The Performance rights are not subject to a market condition and have nil exercise price, therefore these have been valued at share price at grant date.

Valuation assumptions:

Grant date: 23 November 2023
Spot price: \$0.26 (closing price on 23 November 2023)
Exercise Price – Nil
Expiry date: 30 June 2026

Note 11. Share based payments (continued)

(b) Director incentive options

The Director incentive options were issued on 6 December 2023 following shareholder approval at the 2023 Annual General Meeting. The fair value of the share options granted was estimated as at the date of grant using the Black-Scholes valuation model taking into account the terms and conditions upon which the options were granted.

Options exercisable at 90 cents:

Valuation assumptions:

Total options issued: 3,500,000

Valuation date: 23 November 2023

Spot price: \$0.26 (closing price on 23 November 2023)

Exercise Price – \$0.90

Expiry date – 3 years

Volatility – 100% (consistent with industry practice for exploration companies)

Risk-free interest rate – 4.12%

Value per option: 10.07 cents

Options exercisable at \$1.20:

Valuation assumptions:

Total options issued: 3,500,000

Valuation date: 23 November 2023

Spot price: \$0.26 (closing price on 23 November 2023)

Exercise Price – \$1.20

Expiry date – 3 years

Volatility – 100% (consistent with industry practice for exploration companies)

Risk-free interest rate – 4.12%

Value per option: 8.611 cents

Therefore, the total fair value of the options granted to Directors was \$653,926 which was recognized as a share based payment as at 31 December 2023.

(c) Lead Manager options

The Company agreed, subject to Shareholder approval, which was received at the 2023 Annual General Meeting, to grant the Lead Manager (or its nominees) the right to subscribe for 1,000,000 Options with an issue price of 0.001 cents, exercisable at \$0.40 (being a 25% premium to the Placement Shares issue price of \$0.32) expiring on or before the date that is 3 years from the completion of the Placement being 23 June 2026.

Valuation assumptions:

Total options issued: 1,000,000

Valuation date: 21 June 2023

Spot price: \$0.37 (closing price on 21 June 2023)

Exercise Price – \$0.40

Expiry date – 3 years

Volatility – 100% (consistent with industry practice for exploration companies)

Risk-free interest rate – 3.99%

Value per option: 23 cents

The total fair value of the options granted to the Lead Manager was \$229,985 which was recognized as a share based payment as at 31 December 2023.

Note 12. Earnings per share

	31 December 2023	31 December 2022
Basic loss per share (cents)	(3.60)	(2.05)
Diluted loss per share (cents)	(3.60)	(2.05)
	\$	\$
Net loss used in the calculation of basic and diluted loss per share	(2,063,193)	(765,846)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	57,288,979	37,389,840

Note 13. Events after the reporting period

The Company issued an ASX announcement on 13 March 2024 which detailed a JORC compliant Inferred Mineral Resource (MRE) of 194.6 million tonnes at a grade of 7.3% total graphitic carbon at the Leliyn Graphite Deposit. This MRE is a milestone which rendered the Directors performance rights, as approved at the 2023 Annual General Meeting, to vest 100%.

There are no other matters or circumstances have arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

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In accordance with a resolution of the directors of Kingsland Minerals Limited, I state that:

In the Directors' opinion:

- a) The financial statements and notes of Kingsland Minerals Limited for the half-year ended 31 December 2023 are in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
 - ii. Complying with Accounting Standard AASB 134: *Interim financial reporting and the Corporations Regulations 2001*.
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



Richard Maddocks
Managing Director

15 March 2024
Perth

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF KINGSLAND MINERALS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Kingsland Minerals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Kingsland Minerals Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated 15th day of March 2024
Perth, Western Australia

COMPANY

Kingsland Minerals Limited
ABN 53 647 904 014

DIRECTORS

Mr Richard Maddocks	Managing Director
Mr Bruno Seneque	Director/CFO
Mr Nicholas Revell	Non-Executive Director

COMPANY SECRETARY

Mr Bruno Seneque

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SECURITIES QUOTED

Australian Securities Exchange (ASX)
Shares – KNG
Options - KNGO

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